

Good morning.

I am writing to oppose HB Raised Bill No. 5447 (LCO # 2275).

I am opposed to this bill (HB 5447) on a number of fronts.

I will enumerate below. As CFO and co-founder of a special needs school established in 1997, I have been keenly focused on controlling costs while offering valuable services to special needs children and their families. Only by controlling costs and planning carefully have we been able to offer quality service, expand our capacity to serve the autistic community and increase our expertise and effectiveness in this quest that began with finding services for our own special needs child. My background is 38 years in business but my passion is serving families with special needs. Here are my objections to this raised bill 5447.

1. The IEP (Individualized Educational Plan) has successfully served as a representation of the agreement between the school district and the student and the student's parents/guardians of goals and services agreed to for the individual student. That IEP is also the basis for defining the services for placement of a student with a private provider of educational services to children with special needs, and is the basis for evaluating the student's performance as well as the private provider's performance in achieving those goals. Due to the individualized nature of each IEP, the services provided will not be identical from one student to the other. These IEP documents are necessary to the development and measurement of individual plans, but also necessary as a basis for determining appropriate staffing, services (and fees) but also for protection of a fair and appropriate placement for children with special needs.
 - a. In summary, the IEP must continue to be evidence of a contract for the protection of the student and for the protection of the individual provider.
2. Requiring a contract between local Boards of Education and the services provider for payment of services is not a bad thing in and of itself. Our organization provides a contract to each and every school district for each and every student. There are some very big red flags in this however, and as CFO of a provider I am extremely concerned. The exposure to private providers is that even though an IEP, and / or PPT meeting, or settlement agreement (between student/parent & school) agrees to placement with our organization, the standard contracts that we provide to school districts may or may not be executed in a timely manner, and in some cases are not ever signed by the sending district. Our organizations need to have protection from these types of practices. In the present environment, we have a cooperative relationship with each school district in which tuition services are billed and paid even though we may have differences in agreeing to contract form. The IEP, PPT meeting minutes, and settlement agreements are our protection.
 - a. In summary, the proposed requirement of a contract for services (in absence of recognizing an IEP or other written communication as a contract) subjects the private provider to extreme financial risk with no recourse. Private providers (and student placements) are at risk.
3. The rate setting and auditing sections of this bill targets private educational facilities that provide specialized educational services to special needs children. These private schools out of necessity have facilities and staffing levels and expertise that are vastly different from the staffing and facilities provided by public schools. It is precisely because of this immense difference that placements are made to privately run educational facilities.

These facilities exist to assist students that cannot obtain appropriate services from the public schools. That is not a criticism of public schools but an acknowledgement that our public schools serve a large population of children, but out of necessity of scale, are not designed to serve students who learn differently, or at a slower pace or who have behavior issues that disrupt classrooms, or present issues of safety to the student, or to fellow students or staff. For many special needs students, the public school model is not successful in helping them learn.

Private schools get the children that are high risk and have nowhere else to go. Private schools get the students where a one size fits all program is not appropriate and doesn't work. Each private school within the state is not the same as every other private school. These schools vary in which type of student are most appropriate for them, and in which environments that are acceptable to both student and school district agreeing to placement. They are also not the same in terms of services provided or staffing, and due to the birth of their programs they do not all have the same fixed plant cost. Many of these organizations also provide multiple services, beyond day school classes (MTWRF) that affect their staffing levels and facilities investment.

- a. In summary, this bill 5447 is an attack on the private schools financially with an implied goal to reduce overall cost of education, but its affect is to serve as a road block to parents seeking a fair and appropriate education for their special needs children. Overzealous rate setting will have a chilling effect on an organization's financial ability and willingness to continue providing these valuable services to Connecticut's educationally challenged children. My concern is that many valuable providers will eventually close, or have to cut back staffing and services that will reduce their success, and increase the potential for injuries to staff and possibly students – which none of us want.
4. Our private schools, for many children, is a program of last resort. Without schools like ours, children can and do end up in residential programs, often out of state which are disruptive to families, but also more expensive to our state budget. If our programs are not able to survive, these children will not have a program of last resort.
5. All private, non-profit organizations are audited annually by an independent CPA and those results are publicly available. An additional audit will add additional cost to private school operations and will also add cost to the state to perform these audits. The cost and disruption to perform quarterly or monthly financial audits will add even more cost to private organizations than an annual audit. If a goal is to reduce cost, this requirement will raise costs, not lower them. I cannot speak for all other organizations, but I can testify that we are chronically understaffed administratively. I can also say that because we operate throughout the year our cost to attain and keep talent is higher than for public schools which operate on a shorter calendar.
6. This bill is not clear on what the goal is for rate setting, or on what basis rates would be set. Nor is the goal of this rate setting clear from reading this bill. Some of these private organizations are for-profit, but most of them are non-profit organizations that grew out of a very desperate need for services to a population that was underserved. In the present system, private providers develop rates that allow their organizations to increase capacity, maintain facilities, train specialized staff and hire talented professionals in an increasingly competitive market, and to attract employees to work with extremely challenging children. These organizations operate at a much higher risk than do the public schools, as they are not able to raise local taxes or float a bonding issue paid by local taxes. At the end of the day, all expenses for a private provider need

to be paid from current revenue. Our own history as a provider to a small population of challenged students has shown that fund raising is not an effective means of generating revenue.

- a. In summary private schools servicing special needs children are at greater financial risk than public schools, and individual programs have different cost structures depending on the services, staffing and facilities existing to supply their services.
- b. While it is responsible to control costs, the deciding factor in the placement and funding of our special needs children should be in giving them the free and appropriate education which they are entitled to, and that we as parents and citizens should want for our children. Allowing the private organizations that provide these services to survive should be encouraged, not discouraged.

I am opposed to raised bill HB 5447.

Thank you in advance for protecting our ability to serve the special needs students of Connecticut.

Sincerely,

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